



VIMCO LUXEMBOURG
S.A.
VALUE & WEALTH MANAGEMENT

ANNUAL REPORT ON TOP 5 EXECUTION VENUES 2020

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I. Introduction

Following MIFID II requirements and its Best Execution Policy, Vimco Luxembourg S.A. (“the Company”) shall provide clients with appropriate information about the firm and its services and the entities chosen for execution. In particular, when the Company selects other firms to provide order execution services, it shall summarize and make public (via the Company website), on an annual basis, for each class of financial instruments, the top five investment firms in terms of trading volumes where it transmitted or placed client orders for execution in the preceding year and information on the quality of execution obtained.

As the Company employs custodian banks (VP Bank and Binck Bank) to provide order execution services, and the banks automatically select their best execution setting when executing orders, the Company shall report on the top five execution venues employed by each custodian bank, and assess the quality of execution obtained. Upon reasonable request from a client, the Company shall provide its clients or potential clients with information about entities where the orders are transmitted or placed for execution.

This report outlines the quality of execution achieved by Vimco Luxembourg S.A. in 2020.

II. Information Concerning Execution Quality

Vimco Luxembourg S.A. prioritizes ensuring that all sufficient steps are taken to obtain the best possible result for its clients when it executes, places or transmits orders on their behalf. The Company seeks to achieve the most favorable terms for each transaction as is reasonably available under the prevailing market conditions. This means that the Company takes into account the execution factors of price, speed, costs, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order.

The Company’s Chief Compliance Officer regularly monitors the execution of its clients’ orders so that the Company can assure itself on an on-going basis that it achieves the best possible result for its clients’ orders. The monitoring completed for 2020 supported that the Company achieved best execution consistently and that its internal policies and procedures had been consistently applied.

III. Top 5 Execution Venues By Asset Class

The top 5 execution venues by asset class for the custodian banks VP Bank and Binck Bank for the year 2020 have been attached in the appendix.

IV. Appendix: Top 5 Execution Venues By Asset Class (VP Bank and Binck Bank)

Trading volumes of top five execution venues

Class of Instrument	Equity - Shares & Depositary Receipts (Total trading volumes)	
Notification if <1 average trade per business day in the previous year	No	
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as percentage of total in that class
XNAS	17.03%	10.54%
XNYS	15.40%	11.30%
XETR	9.59%	11.78%
XVTX	9.57%	12.18%
XSWX	6.53%	8.95%

Trading volumes of top five execution venues

Class of Instrument	Other instruments (Total trading volumes)	
Notification if <1 average trade per business day in the previous year	No	
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as percentage of total in that class
FCME	67.71%	72.13%
XCEC	15.31%	11.48%
IFEU	14.90%	2.46%
XNYM	1.32%	4.92%
FCBT	0.46%	5.74%

Trading volumes of top five execution venues

Class of Instrument	Exchange traded products (Total trading volumes)	
Notification if <1 average trade per business day in the previous year	No	
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as percentage of total in that class
BMTF	42.28%	19.72%
XETR	9.80%	12.12%
XLON	9.35%	18.21%
ARCX	8.31%	5.42%
XSWX	8.05%	14.22%

Trading volumes of top five execution venues

Class of Instrument	Commodities derivatives (Total trading volumes)	
Notification if <1 average trade per business day in the previous year	No	
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as percentage of total in that class
XVPB	81.21%	69.25%
XCEC	16.45%	22.54%
IFEU	1.85%	2.99%
XNYM	0.49%	5.22%

Trading volumes of top five execution venues

Class of Instrument		Securitized Derivates (Total trading volumes)	
Notification if <1 average trade per business day in the previous year		No	
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	
XFRA	33.07%	13.21%	
XQMH	25.64%	37.79%	
XSTU	24.40%	31.47%	
XOFF	2.72%	2.57%	
OTCO	0.36%	0.13%	

Trading volumes of top five execution venues

Class of Instrument	Equity Derivatives (Total trading volumes)	
Notification if <1 average trade per business day in the previous year	No	
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as percentage of total in that class
XEUR	69.16%	65.73%
FCME	13.95%	5.31%
GLBX	9.54%	2.53%
OPRA	4.40%	21.31%
XOSE	0.57%	0.46%

Trading volumes of top five execution venues

Class of Instrument	Structured finance instruments (Total trading volumes)	
Notification if <1 average trade per business day in the previous year	No	
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as percentage of total in that class
OTCO	63.03%	32.26%
XNOQ	16.52%	7.77%
XQMH	3.47%	11.44%
XFRA	3.17%	7.08%
XLON	2.56%	2.64%

Trading volumes of top five execution venues

Class of Instrument	Currency derivatives (Total trading volumes)	
Notification if <1 average trade per business day in the previous year	No	
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as percentage of total in that class
BMTF	43.73%	6.36%
XVPB	38.96%	86.26%
360T	17.02%	6.86%
FCME	0.28%	0.50%
GLBX	0.00%	0.01%

Trading volumes of top five execution venues

Class of Instrument	Interest rates derivatives (Total trading volumes)	
Notification if <1 average trade per business day in the previous year	No	
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as percentage of total in that class
XEUR	75.71%	55.54%
FCBT	13.95%	33.74%
IFLL	5.67%	1.73%
XCBT	4.67%	9.00%

Trading volumes of top five execution venues

Class of Instrument	Debt instruments (Total trading volumes)	
Notification if <1 average trade per business day in the previous year	No	
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as percentage of total in that class
BMTF	54.33%	40.87%
XCOR	16.04%	14.59%
XOFF	5.77%	5.76%
XXXX	3.41%	4.81%
BILT	3.22%	0.16%



BEST EXECUTION ANNUAL REPORT 2020

Results of 2020 Best execution assessment

Each provider BinckBank uses for order execution was reviewed i.e. on liquidity and quality of execution, speed and probability of execution, number and severity of irregularities as well as pricing. We selected random orders to assess whether our providers have provided us with Best execution. We also performed a review of sample orders executed via our Broker desk comparing the execution conditions with the market circumstances at the moment of execution.

This 2020 Best execution review showed a satisfactory performance and gave no reason for direct further action. BinckBank complies with Best execution provisions set out in MiFID II Delegated Regulation Article 65:7.

Background and methods used to assess providers

The best execution requirements set out in the Markets in Financial Instruments Directive II (MiFID II) require BinckBank to take sufficient steps to obtain the best possible result for their clients, taking into account: price, costs, speed, likelihood of execution and settlement, size, nature and any other consideration relevant to the execution of the order.

In order to comply with the overarching best execution requirements, BinckBank must establish and implement solid execution arrangements and an Order Execution Policy. The "Order Execution Policy" describes the most important and/or relevant elements of those execution arrangements. For more information, please refer to the Order Execution Policy available on the client portal.

In delivering its order execution services, BinckBank shall always act in the best interest of the client and pursue the best possible result for its clients. To deliver the best possible result for retail clients, BinckBank applies the concept of "total consideration".

What does "Total consideration" mean?

When BinckBank executes an order on behalf of a retail client, the best possible result shall be determined in terms of the total consideration, representing the price of the financial instrument and the costs related to execution, which shall include all expenses incurred by the client which are directly related to the execution of the order, including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order.



Review

“Review” is an overall assessment of whether the Best Execution Policy and execution arrangements include sufficient steps BinckBank could take to obtain the best possible result for the execution of its client orders.

BinckBank must review:

- The Best Execution Policy and the execution arrangements at least annually;
- Such a review shall also take place whenever a material change occurs that could affect BinckBank’s ability to continue to obtain the best possible result for its clients.

BinckBank should consider whether it could consistently obtain better execution results if it were to:

- Select additional or different execution venues;
- Assign a different importance to the best execution factors;
- Modify any other aspects of its Order Execution Policy or execution arrangements.

Monitoring

“Monitoring” is the assessment, on a regular basis, of particular transactions in order to determine whether BinckBank has complied with its (execution) policy and/or arrangements, and whether the resulting transaction has delivered the best possible result for the client. The monitoring methodology is at the discretion of BinckBank. As monitoring every transaction or a very large number of transactions would be disproportionate, other approaches, such as appropriate methodologies for sampling, are considered as common practice. Where possible we will use sampling to assess Best execution.

Monitoring may include comparing similar transactions:

- On the same execution venue or with the same entity, in order to test whether BinckBank’s judgement about how orders are executed is correct, and/or;
- On different execution venues or entities chosen from the ones stated in the Best Execution Policy, in order to test whether 'best' execution has been achieved on the venue or entity for a given type of transaction.

BinckBank is required to monitor on a regular basis:

- The effectiveness of its Best Execution Policy;
- The execution quality and the performance of the entities selected to execute the orders;
- The effectiveness of its execution policy at least annually (and);
- The effectiveness of the different steps and decisions taken in the chain of execution to deliver the best possible result.



Best execution monitoring committee

Based on the monitoring requirements, BinckBank at least annually assesses the performance of its Third-Party Brokers, its own Broker desk as well as the other execution venues including the markets where BinckBank executes orders via its memberships. For this purpose, a Best execution monitoring committee with representatives from different departments within BinckBank has been set up. The responsibility of the committee is to monitor whether client orders are executed in accordance with the order execution policy. Furthermore, the committee is responsible for keeping up with regulatory and business developments that may impact best execution (monitoring).

Third party brokers and venues used

Third Party Brokers that BinckBank used for order execution in 2020 were:

- Pershing
- Morgan Stanley
- Goldman Sachs
- Banca Akros
- Fundsettle
- Credit Suisse (large in scale orders for discretionary portfolio management, executed via Broker desk only)
- Bloomberg (OTC bond and ETF- orders, orders executed via Broker desk only)
- Virtu (specific ETF orders for discretionary portfolio management, orders executed via Broker desk only)
- Saxo Bank A/S (BinckBank France clients as of migration to Saxo platform late November 2020)

The venues BinckBank used for ordering via its own memberships in 2020 were:

- Euronext
- Euronext Derivatives Markets
- Euronext NAV Trading Facility
- Bourse de Luxembourg
- CATS*

We believe that by using this set up we provided our clients with an appropriate solution in terms of price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order. In principle all BinckBank clients are treated as retail clients for which the highest level of investor protection/heavy duty of care is applicable.



Client communication and request

At the request of the client, BinckBank must be able to demonstrate to its clients that their orders have been executed in accordance with the BinckBank's best execution arrangements. Such a request must be reasonable and proportionate.

BinckBank shall notify its clients of any material changes with regards to the order execution arrangements or Order Execution Policy prior to implementing these changes.

Conflict of Interest

BinckBank acts in the capacity of agent for the reception, transmission and execution of orders for its clients. BinckBank does not have any specific arrangements with execution venues in place related to rebates or non-monetary benefits. In line with market standards BinckBank may be eligible to bulk discounts offered by execution venues. In case of BinckBank this concerns Binck turbos. With respect to this product, BinckBank (formally) also acts towards its clients in the capacity of counterparty ('principal'). However, the inherent market making activities are outsourced to UBS. Therefore, BinckBank has no (direct) interest in the Binck turbo linked market making revenues.

BinckBank is a wholly owned subsidiary of Saxo Bank A/S, a private company incorporated in Denmark since 2019. As part of ongoing consolidation and harmonization of processes and systems BinckBank has started using Saxo Bank A/S as third party broker as of December 2020. This process is aimed to be completed in the course of 2021 whereby it is foreseen that Saxo Bank A/S will be executing all BinckBank's client orders on its behalf.

Neither BinckBank nor Saxo Bank A/S has any questionable close links or common ownerships with respect to any execution venues used to execute orders.

Considering the above, the residual risk of (potential) conflict(s) of interest related to Order execution is qualified by BinckBank as low.



Quality of execution statement

Regulatory Technical Standard 28 Article 3(3), Directive 2014/65/EU (hereinafter MiFID II).

The following report is a summary of the analysis and conclusions BinckBank N.V. (hereinafter Binck) draw from the detailed monitoring of the quality of execution obtained on the execution venues and through brokers for all client orders executed in the previous year.

The report provides a general summary covering all asset classes for which a Top 5 of execution venues is published. These can be found after the Quality of execution statement.

BinckBank N.V. (hereinafter Binck) – Quality of execution statement 2020

- A. What relative importance did Binck give to the Execution Factors including, but not limited to price, costs, speed, and likelihood of execution when assessing the quality of execution?

Binck always strives to offer her clients the best execution possible. This requires a careful consideration of weighing different execution factors, such as cost, price, speed and likelihood of settlement and execution. For all our clients and especially for our retail clients, we deem the factors of price and cost of the highest importance.

- B. Did Binck have any close-links, conflicts, or common ownerships with respect to any execution venues used to execute orders?

Binck did not have any close-links, conflicts, and/or common ownerships with respect to any execution venues used to execute orders. Binck took reasonable care not to discriminate between execution venues other than on the basis of the Execution Factors relevant to the order concerned.

- C. Did Binck have any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received?

Binck did not have any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received.

- D. What venues did Binck access and did any factors lead to a change in the list of execution venues listed in the firm's execution policy?

Due to the acquisition of Binck by Saxo Bank A/S and ongoing integration of the two companies Saxo Bank has been added as third party broker in 2020.

- E. Did order execution differ according to client categorization and if so, where may it have affected the order execution arrangements?



Under MiFID II, Binck is required to put in place an order execution and handling policy (MiFID II order execution policy) and to take all sufficient steps to obtain the best possible result (best execution) either when executing client orders or receiving and transmitting orders on behalf of its retail clients, and it extends the same treatment to its professional clients.

- F. When and why might other criteria have been given precedence over immediate price and cost when executing retail client orders and how would these other criteria have been instrumental in delivering the best possible result?

Not applicable.

- G. How has Binck used data or tools in relation to the quality of execution, including data published by execution venues under RTS 27?

Binck has performed Transaction Cost Analysis for certain markets to determine execution quality. Furthermore, Binck performs a quarterly check on a sample of orders in different asset classes to assess the quality of order execution received via our suppliers.

- H. How have Binck used output of a consolidated tape provider or any other algorithms to optimise and assess execution performances (where available)?

There was no consolidated tape provider established under Article 65 MiFID II and therefore other data sets and algorithms to optimize and assess execution were used. Binck will continue to monitor for any development of the consolidated tape service in Europe.



Class of instrument	Equities – Shares & Depositary Receipts				
Less than avg 1 trade per business day	N				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Euronext (XAMS,XBRU,XLIS,XPAR)	100%	100%	60%	40%	0%

Class of instrument	Equities – Shares & Depositary Receipts				
Less than avg 1 trade per business day	N				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Pershing (ZI8Q1A8E18LQFJNM0D94)	85,1%	88,3%	74%	26%	0%
Banca Akros (549300GRXFI7D6PNEA68)	10,4%	8,2%	68%	32%	0%
Saxo Bank A/S (549300TL5406IC1XKD09)	2,6%	3,2%	49%	51%	0%
Virtu (213800EEC95PRUCEUP63)	1,3%	0,2%	n.a.	n.a.	0%
Credit Suisse (549300506SI9CRFV9Z86)	0,6%	0,1%	n.a.	n.a.	0%

Class of instrument	Derivatives-Exchange				
Less than avg 1 trade per business day	N				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Euronext(XAMS,XBRU,XLIS,XPAR)	100%	100%	78%	22%	0%



Class of instrument	Derivatives-Brokers					
Less than avg 1 trade per business day	N					
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders	
Morgan Stanley (54930056FHWP7GIWYY08)	75,4%	76,4%	80%	20%	0%	
Pershing (ZI8Q1A8EI8LQFJNM0D94)	15,8%	18,2%	77%	23%	0%	
Saxo Bank A/S (549300TL5406IC1XKD09)	4,7%	0,1%	86%	14%	0%	
Goldman Sachs (8IBZUGJ7JPLH368JE346)	2,5%	2,2%	75%	25%	0%	
Banca Akros (549300GRXFI7D6PNEA68)	1,6%	3,2%	79%	21%	0%	

Class of instrument	Fixed Income-Exchange					
Less than avg 1 trade per business day	N					
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders	
Euronext (XAMS)	96,3%	93,6%	72%	28%	0%	
Euronext Bourse de Luxembourg (XLUX)	3,7%	6,4%	80%	20%	0%	

Class of instrument	Fixed Income-Brokers					
Less than avg 1 trade per business day	N					
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders	



Banca Akros (549300GRXFI7D6PNEA68)	100%	100%	79%	21%	0%
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Class of instrument	Securitized derivatives-exchanges				
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Less than avg 1 trade per business day	N				
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Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
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Euronext (XAMS,XBRU,XLIS,XPAR)	100%	100%	91%	9%	0%
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Class of instrument	Securitized derivatives-brokers				
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Less than avg 1 trade per business day	N				
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Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
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CATS (529900TW3YXY9C6T1G09)	95,1%	97,8%	64%	36%	0%
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Banca Akros (549300GRXFI7D6PNEA68)	4,4%	1,9%	69%	31%	0%
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Saxo Bank A/S (549300TL5406IC1XKD09)	0,5%	0,3%	70%	30%	0%
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Class of instrument	Exchange Traded Products-Exchange				
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Less than avg 1 trade per business day	N				
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Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
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Euronext (XAMS,XBRU,XLIS,XPAR)	100%	100%	63%	37%	0%
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Class of instrument	Exchange Traded Products-Brokers				
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Less than avg 1 trade per business day	N				
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Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Banca Akros (549300GRXFI7D6PNEA68)	49,8%	52,4%	62%	38%	0%
Pershing (ZI8Q1A8EI8LQFJNM0D94)	48,5%	45,5%	77%	23%	0%
Saxo Bank A/S (549300TL5406IC1XKD09)	1,7%	2,1%	45%	55%	0%